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(K) 1949. **File No.** AGN Misc/49-V

Legal **DEPARTMENT**

E **BRANCH**

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Subject:— Miscellaneous Agreements.

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File No. AGN Misc/49-V

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C O N T E N T S.

Legal Department File No. AGN MISC/49-V

Sr.No.	R.I./O.No.	Subject.	Pages.
1		Loan ---- Bombay Silk Filatures Ltd. Belgaum----Grant of--to	
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ASI 29/5/56

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Loan
Bombay Silk Filatures Ltd.
Belgaum.
Grant of -- to

Government of Bombay
Development Department,
Resolution No.9674/39
Poona 1, 12th October, 1949.

Read Government letter No.9674/39/37602 dated 24.6.1949.

Letter from the Joint Registrar for Industrial Cooperatives and Village Industries No.L.A.C.S., dated 14.9.1949.

Resolution :- Government is pleased to sanction a loan of Rs.45,000/- to the Bombay Silk Filatures Ltd., Thalakwadi, Belgaum to serve as Working Capital for mulberry plantation and its extension in Belgaum and Dharwar Districts.

2. The loan is sanctioned subject to the following conditions :-

(i) The loan will be charged interest at 4 % per annum and be repayable in ten annual instalments, the first instalment to begin, three years after the date of disbursement of the loan ;

(ii) Government will have first charge on the existing and future assets of the Bombay Silk Filatures Ltd. as security for repayment of the loan ;

(iii) The funds should not be applied to any purpose other than that for which it is sanctioned except with prior approval of the Joint Registrar of Industrial Cooperatives and Village Industries.

3. The draft agreement submitted by the Joint Registrar is being returned to him duly approved separately. The Joint Registrar should get the draft agreement executed by the Bombay Silk Filatures' Ltd. and submit to Government for its approval.

4. The charge should be debited to "R Provincial Loans and Advances". The Registrar of Cooperative Societies is requested to include the charge in the revised estimates for 1949-50.

By order of the Governor of Bombay,

D. S. Joshi
Secretary to the Government of Bombay.

To

The Registrar of Cooperative Societies, Poona.
The Joint Registrar of Industrial Cooperatives and Village Industries, Poona.
The Director of Industries, Bombay,
The Accountant General (through F.D.)
The Finance Department,
The Managing Agents, Bombay Silk Filatures' Ltd.(By letter).

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Loan.
Bombay Silk Filatures Limited,
Belgaum,
Grant of --- to,

Government of Bombay,
Development Department,
Corrigendum No. 9674/39,
Bombay Castle, 19 October 1949.

Read Government Resolution, Development Department No. 9674/39, dated the 12th October 1949.

Corrigendum:- For condition No. (ii) in para.2 of the Government Resolution, Development Department No.9674/39, dated the 12th October 1949, substitute the following condition:-

(ii) The Bombay Silk Filatures Limited shall offer as security, for repayment of the loan, all their existing plantations and the rearing houses and quarters,impliments livestock, etc. on which it has spent about Rs.40,000/-.

2. For the words "submit to Government for its approval" occuring in line 4 of para. 3 of ~~the~~ Government Resolution, Development Department No. 9674/39, dated the 12th October 1949, substitute the words "forward to ~~the~~ Government a copy thereof for record".

By order of the Governor of Bombay,

N.S. Paradasani.
Under Secretary to the Government of
Bombay, Development Department.

To
the Registrar of Co-operative ~~Societies~~ Societies, Poona,
the Joint Registrar for Industrial Co-operatives and Village Industries,
the Director of Industries,
the Account General, Bombay (thorugh the Finance Department),
the Finance Department,
the Managing Agents, Bombay Silk Filatures Limited(By letter).

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THIS MORTGAGE made at the day of one thousand nine hundred and forty nine between THE BOMBAY SILK FILATURES COMPANY LIMITED a company incorporated under the Indian Companies Act, 1913 having its registered office at Belgaum (hereinafter referred to as "The Mortgagor" which expression shall unless the context does not so admit include its successor or successors-in-business) of the one part, and the GOVERNOR OF BOMBAY (hereinafter referred to as "The Mortgagee" which expression shall, unless the context does not so admit, inlude his successors and assigns) of the other part.

WHEREAS the Mortgagor is seized and possessed of and otherwise well and sufficiently entitled to the land hereditaments and premises situate lying and being at and more particularly firstly described in the schedule hereunder written.

AND WHEREAS THE Mortgagor applied to the Mortgagee for a loan of Rupees forty five thousand (Rs. 45000) to serve as working capital for mulberry plantation and its extension in Belgaum and Dharwar Districts, AND WHEREAS the Mortgagee has agreed to advance to the Mortgagor a sum of Rs. 45000/- Upon the Mortgagor having agreed to secure repayment thereof in the manner hereinafter prescribed.

NOW THIS MORTGAGE WITNESSETH AS FOLLOWS:-

1. In pursuance of the said agreement and in consideration of the sum of Rs. 45000/- (Rupees forty five thousand paid by the Mortgagee to the Mortgagor on or before the execution of these presents (the receipt whereof the Mortgagor doth hereby ad it and acknowledge and of and from the same doth hereby release and discharge the Mortgagee) the Mortgagor doth hereby covenant with the

~~Mortgagee that the Mortgag~~

Mortgagee that the Mortgagor will repa[illegible] said principal sum of Rupees forty five thousand within a period of thirteen years from this date by ten equal yearly instalments of Rupees five thousand seven hundred and seventy only (Rs. 5770) the first of such instalments to be paid on the day of one thousand nine hundred and fifty and the subsequent instalments to be paid on the day of each subsequent year (No instalment being payable during the three years from this date) and that the Mortgagor shall in the meantime and so long as any part of the principal sum of Rupees forty five thousand shall remain owing pay interest to the Mortgagee at the rate of 4 per cent per annum on all moneys whatsoever for the time being due and owing on the said security and under these presents by yearly payments the first of which payments shall be made on the day of 195 and subsequent yearly payments ~~the first of which payments~~ shall be made on the day of of each subsequent year until the whole sum of Rupees forty five thousand is paid off PROVIDED ALWAYS that if any such interest shall remain unpaid for one month after the date on which the same ought to be paid then and in every such case the interest so in arrears shall at the expiry of such month be capitalised and be added to the principal sum hereby secured and for the time being owing hereunder and shall thenceforth bear interest payable at the rate and on the days aforesaid and all the covenants and conditions contained in these presents and all the rules of law and equity in relation to interest shall equally apply to interest on such arrears PROVIDED FURTHER that the last preceding proviso shall not permit the Mortgagor to allow any interest to fall into arrears.

2. In further pursuance of the said agreement and for the consideration aforesaid the Mortgagor doth hereby grant, convey, transfer and assure unto the Mortgagee all that piece or parcel of land or ground situate lying and being at and more particularly described in the schedule hereunder written

Together with all and singular the houses, out-houses, edfices, buildings, yards, well-compounds, paths, water course, sewers, ditches, drains, trees, plants, lights, liberties, easements, profits, privileges, advantages, rights members appurtenances to the said land hereditaments and premises or in anywise appurtaining or with the same or any part thereof now or at any time heretofore usually held and occupied or enjoyed or reputed to belong to or be appurtenant thereto and all its undertaking, property and assets both present and future the principal items of the existing items being secondly described in the said schedule hereunder AND TOGETHER also with all the right title interest claim and demand whatsoever of it the Mortgagor into and upon the said piece or parcel of land hereditaments and premises patent rights, machinery apparatus, undertaking uncalled or unissued capital and property and assets both present and future, or any part thereof (hereinafter collectively referred to as "the Mortgaged properties") TO HAVE AND TO HOLD the same unto the use of the Mortgagee absolutely subject to the proviso for redemption hereinafter contained and subject to the right of the Mortgagor to deal with the future assets of the Company in the ordinary course of business but not otherwise to the intent that these presents shall be a specific charge on the said present assets of the Mortgagor and shall be a floating charge on the undertaking, book-debts and other future property and assets of the Mortgagor so that the Mortgagor shall not be at liberty to create any debenture mortgage or charge in priority to these presents without the consent of the Mortgagee.

3. PROVIDED ALWAYS AND it is hereby agreed and declared that if the Mortgagor shall duly comply with the terms on which the said loan has been granted and shall duly repay the amount of the said loan of Rupees forty five thousand together with the interest thereon and shall pay all costs,

charges and expenses of the Mortgagee of and incidental to this Mortgage, the Mortgagee shall upon the request and at the costs, charges and expenses of the Mortgagor reassign and retransfer the mortgaged properties unto the Mortgagor or as it may direct and in the meantime and until default be made by the Mortgagor in payment of the said principal sum of any instalment thereof or interest thereon or any part thereof the Mortgagor shall remain in the possession or receipt of the income and profits of the mortgaged properties.

4. The said principal sum of Rupees forty five thousand or any balance thereof and all other moneys due for the time being under these presents shall become immediately payable and the security hereby constituted shall become enforceable forthwith in each and every of the following events:-

(a) If the Mortgagor shall fail to pay any instalment of principal on the respective due dates in the manner aforesaid

(b) If the Mortgagor shall make default in payment of any instalments of interest on their respective due dates as hereinbefore provided.

(c) If a distress or execution shall be levied or enforced upon any part of the Mortgaged properties or a Receiver thereof be appointed.

(d) If the Mortgagor shall commit breach of any one of the convenants or provisions herein contained and on its part to be observed and performed.

(e) If the Mortgagor shall cease to carry on business for any reason whatsoever.

(f) If the Mortgagor shall enter into liquidation whether voluntary or compulsory.

5. As soon as the principal moneys or the balance thereof shall become payable and the security enforceable under the last preceeding clause the Mortgagee shall be entitled (without being bound to do so) to take possession of the mortgaged properties and to realise the same and quietly to hold and enjoy the same and receive the income and profits thereof without any interruption or disturbance by the Mortgagor or any other person whatsoever claiming under the Mortgagor.

6. If default shall be made in repayment of the Mortgage money or any part thereof on the days and in the manner aforesaid or if the security hereby constituted become enforceable in each and any of the events mentioned in clause 3 hereof the Mortgagee shall be entitled and shall have full power to sell without the intervention of the Court all or any of the Mortgaged properties either by public auction or by private contract and either for a lump sum or for a sum payable by instalments and may make such sale upon such terms and conditions including any special or other stipulations as to title evidence or otherwise as the Mortgagee shall deem proper and the Mortgagee shall have full power to buy in or rescind or vary any contract for sale of all the Mortgaged propoerties or any part thereof and to resell the same without being responsible for any loss which may be occasioned thereby and with full power to compromise and effect compositions and for the purpose aforesaid the receipt of the Mortgagee for the purchase money of the properties sold and for any other moneys paid to the Mortgagee shall effectually discharge the purchaser or from being concerned to see the application or being answerable for loss or misapplication thereof AND IT IS HEREBY AGREED AND DECLARED that the provisions and trusts ancillary to the power of sale which are contained in section 69 of the Transfer of Property Act, 1882, shall apply to this security.

7. AND IT IS HEREBY AGREED AND DECLARED that whenever any instalment of principal or interest shall be in arrears the same may be recoverable from the Mortgagor in the same manner as an arrear of Land revenue under the provisions of the Bombay Land Revenue Code, 1879, and any amendments thereof: PROVIDED ALWAYS That this clause shall not effect other rights powers and remedies of the Mortgagee.

8. The Mortgagor doth hereby covenant with the Mortgagee as follows:-

(a) that the Mortgagor shall pay the instalments of the Principal as well as interest as hereinabove provided into the Treasury of Belgaum to the credit of the

Government of Bombay to the budget head which may from time to time be ~~referred~~ specified by the Joint Registrar of Industrial Co-operatives and village Industries (hereafter referred to as "the Joint Registrar") and shall regularly forward to the Joint Registrar all the Treasury chalans within eight days from the respective due dates of such instalments;

(b) that the moneys secured by these presents shall be a first charge on the said mortgaged properties and shall take precedence over all other moneys now due or which may hereinafter be borrowed by the Mortgagor;

(c) that the Mortgagor will so long as any of the principal moneys or any interest secured by these presents shall remain unpaid and the Mortgagee shall not have taken possession of the mortgaged properties carry on and conduct the business of the Mortgagor in a proper and efficient manner and for that purpose;

(i) will maintain and keep in a good and substantial state of repairs and condition the said mortgaged properties expressed to be hereby assured;

(ii) will keep the said mortgaged properties insured against loss or damage by fire and riots and civil commotion to their full insurable value with some insurance office to be approved by the ~~Director of Industries~~ Joint Registrar and will make all payments required for the purpose as and when the same become due and payable and will on demand produce to the ~~Director of Industries~~ Joint Registrar the policy or policies of the insurance and the receipt or receipts for such payment and will apply all moneys received by the Morgagor under any such insurance in making good any such loss or damage PROVIDED THAT if default shall be made by the Mortgagor in insuring or keeping the mortgaged properties insured as aforesaid then and so often as the same shall happen it shall be lawful (but not obligatory) for the ~~Director of Industries~~ Joint Registrar on giving 24 hours notice to the Mortgagor to insure and keep insured the mortgaged properties to

(b) That the Mortgagor has now good right and full power to grant convey and transfer the said mortgaged properties hereinbefore expressed to be hereby granted conveyed and transferred as aforesaid free from all claim liens and incumbrances and that the Mortgagor and every other person having or claiming any estate or interest in the said mortgaged properties or any part thereof will at all times at the costs until the sale thereof of the Mortgagor and afterwards of the person or persons requiring the same execute and do all such assurances and acts for the further and more effectually assuring the said mortgaged properties or any part thereof to the Mortgagee or to such other person or persons as he may direct, as shall be reasonably required;

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their full insurable value and the Mortgagor will on demand repay to the Mortgagee every sum of money expanded for that purpose by the ~~Director of Industries~~ Joint Registrar with interest at the rate and in the manner aforesaid from the time the same respectively shall have been so expanded and that until such repayment the same shall he a first charge upon the mortgaged properties;

(iii) will duly and punctually pay perform and observe all rents, rates, taxes, assessments, outgoings, covenants and obligations which are to be paid observed or performed by the Mortgagor in respect of the said mortgaged properties or otherwise howsoever;

(d) that the Mortgagor will permit the Mortgagee or any person or persons authorised by him at any time and from time to time during the usual time of business so long as any money shall remain due or owing upon the security of these presents to inspect and examine any part of the mortgaged properties and render them or any such assistance as may be required for any of the purpose aforesaid and to inspect and examine the books of accounts and all other records of the ~~Registrar~~ Mortgagor in connection with the said Mulberry plantation and will furnish to the Mortgagee or to such person or persons as he shall from time to time appoint for the purpose all such information relating to the business or affairs of the Mortgagor or the mortgaged properties or any part thereof as he or they shall require;

(e) that the Mortgagor shall utilise the amount of the said loan as a working capital for mulberry plantation and its extension in Belgaum and Dharwar District, and shall not utilise the amount of the said loan for any other purpose except with the prior approval of the Joint Registrar.

IN WITNESS WHEREOF, the common seal of the Bombay Silk Filatures Ltd. ~~~

The Schedule Above Referred to.

FIRSTLY ALL THAT piece or parcel of land or ground of the quit and Ground Rent Tenure with the measure tenement or dewelling house standing thereon situate lying and being at

in the Registration Sub-District of containing by admeasurement square feet or thereabouts, and bounded as follows that is to say-

on or towards the East by :-
on or towards the West by :-
on or towards the North by :
on or towards the Sourth by:

SECONDLY ALL those the present assets and property of the Mortgagor bearing the following description:-

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The Common Seal of Bombay Silk Filatures Ltd. the abovenamed Mortgagor has, pursuant to a resolution of the Board of Directors of the Company dated the day of 1949 been hereunto affixed in the presence of)

1.

2.

The Managing Director who has set his hand hereto in the presence of

Received of and from the Governor of Bombay the sum of Rupees forty five thousand being the amount of the Government Loan expressed above to have been paid by the Governor of Bombay to the Mortgagor abovenamed.) Rs. 45,000/-

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2.

I say received

Managing Director
The Bombay Silk Filatures Ltd..